

“Marketing Analytics in Tech Marketing” Survey 2012

How do you compare + agency opinions on key findings and trends

Introduction – Survey Objective and Audience

The following research is compiled from the responses of marketers from fifty-one different technology companies. The survey was completed under the agreement of anonymity, but includes many very recognizable brand names and crosses a wide range of technology product sectors.

The goal of this research was to discover the impact in marketing departments of the complexity in marketing metrics. We also wanted to see how well technology marketers are adapting to using data. We know tech marketing is amongst the most advanced. By the nature of our industry, it is quick to embrace new solutions, often ahead of other segments; particularly in B2B. However, that also leads to early adoption pain points.

The first two charts show the job function roles of respondents and demonstrate the level of analytics confidence articulated by the respondents. This gives context for the rest of the responses.



Executive Summary

Analytics tools have widely penetrated marketing departments, but there are still significant disconnects between systems.

Most tech companies now actively use data to drive decision making across multiple marketing functions.

Google tools dominate the space but challengers like Adobe are worthy of consideration.

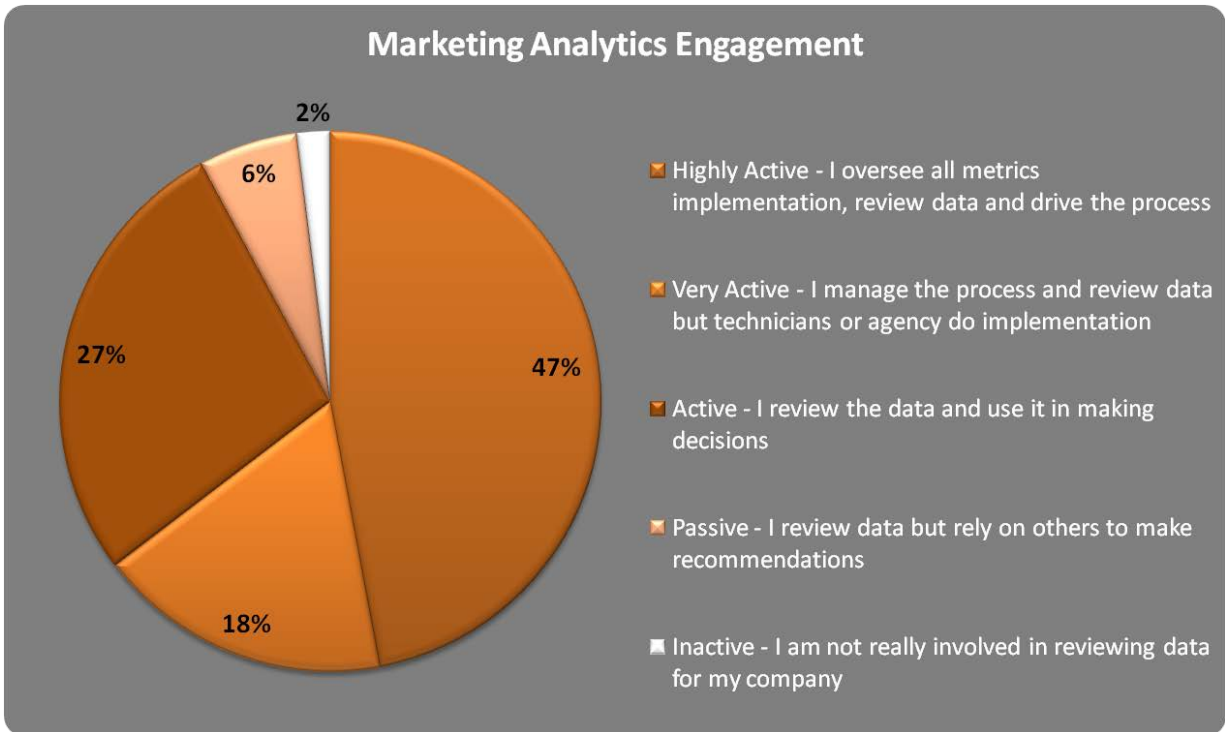
Only Google currently offers tools across all areas of digital marketing, search, social, advertising and web analytics.

Internal teams need more training on analytics to be on the same page.

Companies need to invest in data evangelists to drive the continued use and development of data.

Data collection and usage needs to be driven by marketing, not IT. Get control of your site tools.

Most important to note is that 64% of respondents are Managers or Directors of Marketing and 17% are at the VP or CMO level. As such, these respondents have good insight across the multiple marketing channels and to the internal analytics used for both tactical and strategic decision making.

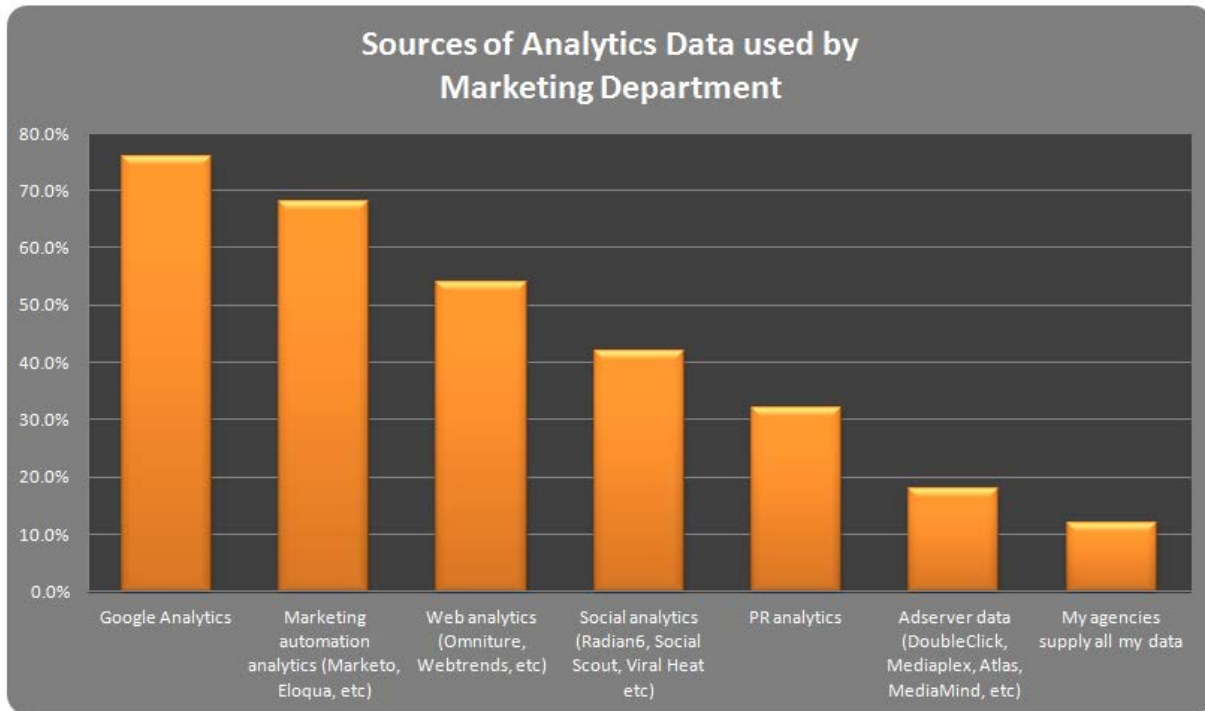


As for analytics competence, fully 92% are actively using data in their decision making, with 48% being “highly active” and fully embracing all aspects of data analysis, review of performance and driving the implementation of tools within their organization.

Analytics Technologies Used by Marketers

In terms of the sources used for data collection, we can see (as expected) that there is a wide diversity of solutions being used within the marketing department. At 76% usage, the biggest source of data is Google Analytics tags. This free tool penetrated early into corporate websites, often on the back of Paid Search campaigns and it continues to dominate. More robust web analytics solutions like Omniture and Webtrends, etc. are also used by 54%; proving a majority of companies are actually using multiple site analytics tools.

Most impressive is the rapid rise of marketing automation solutions from vendors like Marketo and Eloqua. 68% of companies use this technology, which puts tech companies well ahead on the adoption curve compared to the general B2B sector which varies between 18-50% usage (as reported in recent Sirius Decisions and Marketo reports).



Just Media Opinion: Exactly how many marketing automation implementations are being fully leveraged is questionable. Our in-market experience suggests that the use of these platforms is still very simplistic in many cases. However, this sector is maturing quickly; mostly driven by improving client content creation; more appropriate content mapping; and increasing clarity in the understanding of the informational needs of customers as they move down the decision funnel.

Perhaps surprisingly, given the buzz around social media, only 42% of companies are using social measuring tools and even less (32%) track PR internally. Of course, this might also be reflective of the reality that social and PR tactics are increasingly outsourced to agencies that produce reports for clients.

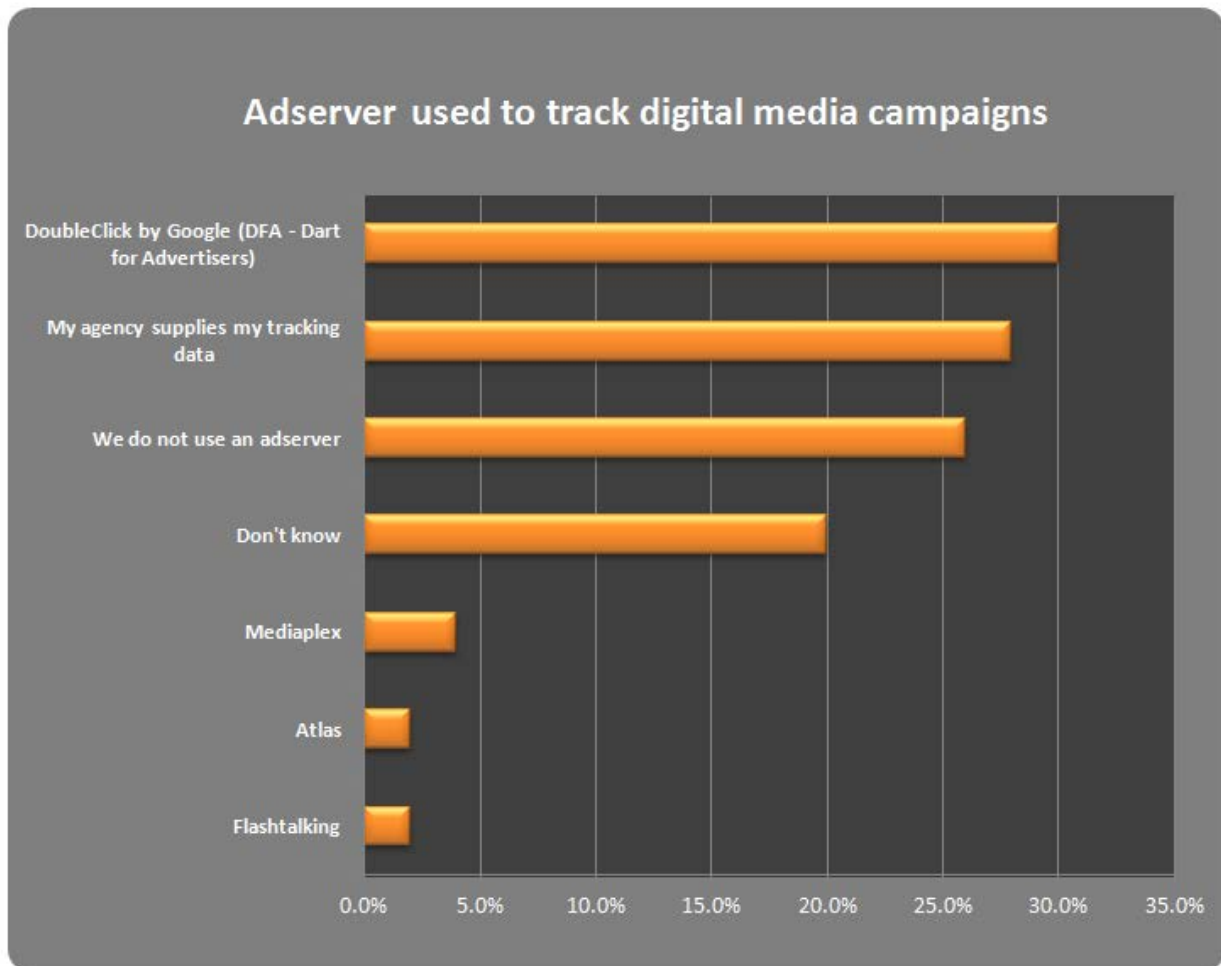
Just Media Opinion: Adoption of social media tools will increase as more pressure is put on marketing teams to validate social media investments. This will require ensuring they are delivering tangible business benefits, rather than simply acquiring “likes” or “follows”. Engagement with prospects/clients is key; and social media tools can help tremendously with this task. Measuring activity and tying this back into marketing activities seems to be secondary at the moment. Hopefully, this will change. We’d like to see tools that please both ends: Engaging and measuring.

Internal adserving (DoubleClick, Atlas, etc) is small. Only 18% use adservers internally. Indeed, even this number looks high based on our agency experience in talking to many tech companies.

Just Media Opinion: We believe internal aderving by clients will increase dramatically in the years to come, as more clients adopt solutions integrated into their site analytics programs. As a result, agencies will be required to traffic campaigns into client systems rather than into ones they own and operate. This enables clients to own their own performance data and have more freedom in selecting agency partners. Agency value will still come in applying the metrics to smart media buying decision making. It will become a much more collaborative client/agency relationship.

Aderving Technologies

Given the importance of measuring digital advertising success, the fact that 46% of marketers either don't use, or don't know what adserver is being used, is rather shocking to us. This reflects the reality that this technology (despite its importance) is still undervalued as an advanced performance tool.



Why is this? Simply put, the basic data of impressions, clicks and cost per click still carry weight with far too many marketers. Education about the importance and metrics of digital media

campaigns on brand impact, view-through and path to conversions need more promotion and evangelization internally; particularly at executive level.

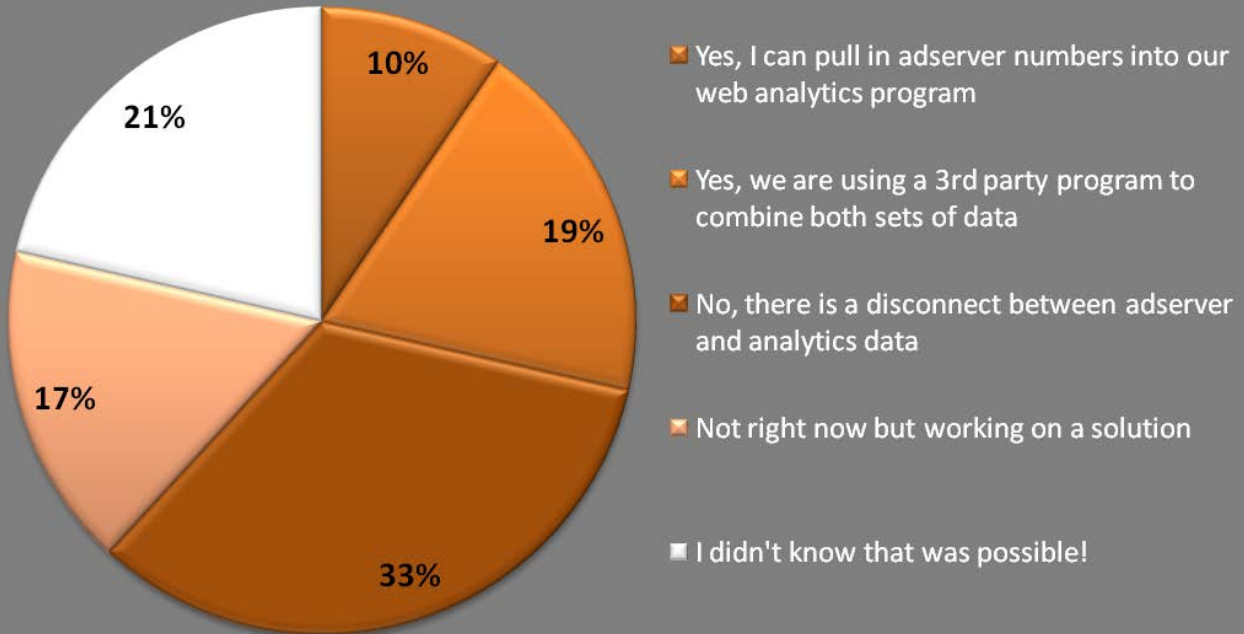
Just Media Opinion: Google's DoubleClick technology still dominates this market space and that will likely grow further as the tool is integrated even more with Google Analytics in future revisions. Other technology providers also offer capabilities to integrate with Google Analytics or other Web Analytics programs, but not as seamlessly as Google DoubleClick with Google Analytics (and in the near future maybe even additional tools due to Google acquisitions in the mobile and social media space). But there are still strong players in the market besides Google DoubleClick and maybe of more interest will be to see if any are acquired in the coming months by companies like Oracle, Salesforce or Adobe.

Campaign Analytics – Integration of Systems

The most important development in marketing analytics as it relates to the measuring of campaigns is the integration of front-end system data with back-end website performance tools. An example would be the integration of Google DoubleClick adserver data with Adobe's Omniture web analytics. Having this integration allows the marketer to track users from ad exposure through to the site, whether users click on ads or not. This is huge, since even for many of our client campaigns, we have seen upwards of 90% of the response to a campaign coming via this "view-through". More importantly, by integrating paid search and display with web analytics, advanced path to conversion analytics is possible, showing marketers different touch points and where real ROI needs to be attributed.

Currently, only 10% of respondents have integrated systems in this way. These are early days with some limitations and challenges to overcome. But those who have made the commitment are typically seeing very interesting data. Most importantly, they are setting benchmarks now to apply to campaigns later. Almost 20% are using some alternative solution to try and connect the data.

Are you able to get a holistic view of adserver and web analytics data by combining the two?



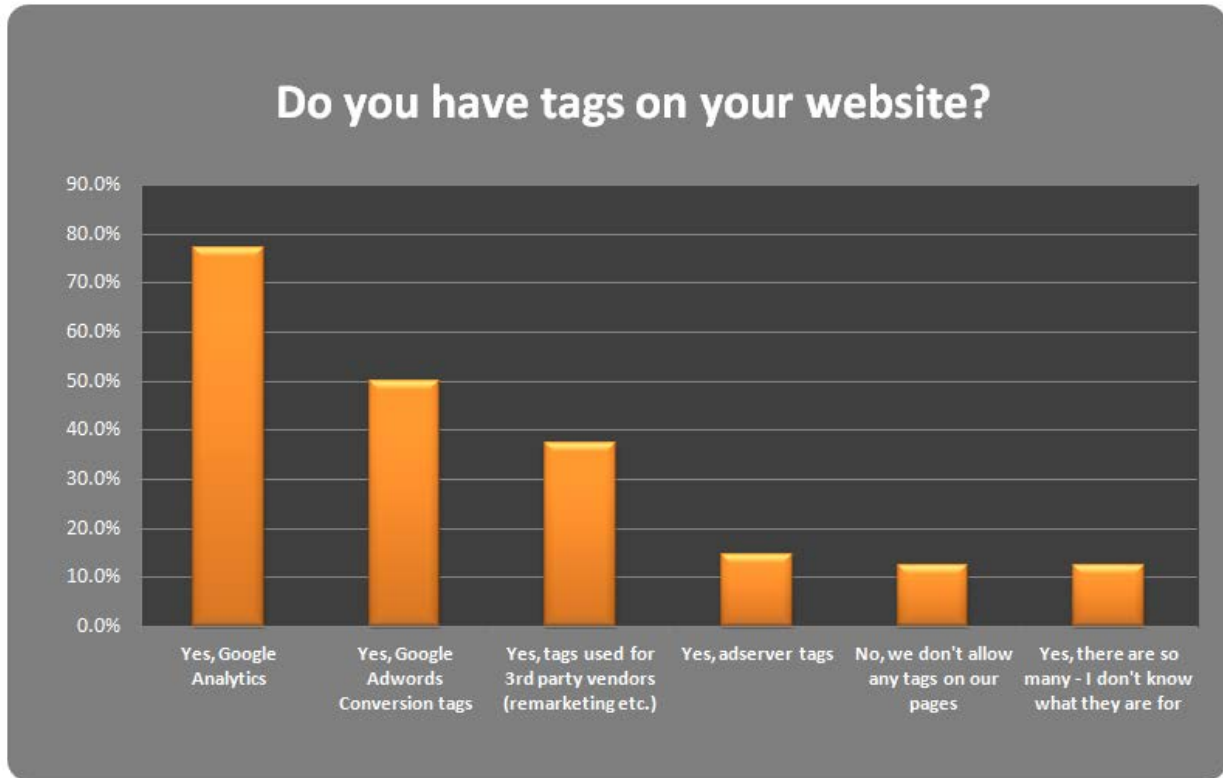
Just Media Opinion: Integration of systems is the biggest challenge and while it pays to do this, the industry really needs single end-to-end solutions. In asking our analytics team for input, they have confirmed that 100% of campaigns served need some level of human oversight and correction. Mostly, these are obvious errors in a click or impression discrepancy. However, the analytics can only ever be as good as the data used and disparate systems always give different data, leaving marketers wondering what to trust. Single adserver/web analytics tools will help address this.

Another advantage for marketers with single systems is the ability to use first party cookie technology for tracking, helping them counter future browser or even legislative controls on the use of third party cookies.

Site Tagging – Who Uses What?

Results of the survey show that Google still dominates in terms of tracking tags. Tag issues (always a cause of conflict between marketing and IT, who like clean pages with no additional external codes) are in the process of being helped by the development of Tag Management Systems. With single container tags (able to fire other tags for things like retargeting, affiliate, audience analysis

or even creative rotations) the balance between site management and marketing sophistication is being bridged.

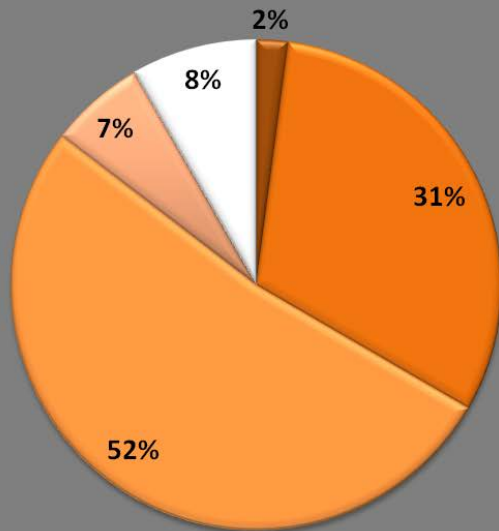


Just Media Opinion: Clients should start planning to implement a single tag management solution to consolidate and simplify this long term. This way, clients will be in full control of the kind of pixels being used and for what. The downside is that the more web teams have to manage the tag process, the slower campaigns may be in launching, since it is easier for the agency to manage campaign pixels through their adserver container tags. For web teams, managing tags is not typically a high priority task.

How Much is Data Driving Decisions?

Despite the plethora of tools available only 2% of marketers use data exclusively when making decisions. 31% now claim data is a significant part of how they are assessing marketing operations. These numbers perhaps reflect that a majority of responding companies are technology B2B vendors, with more complex buying cycles and therefore limitations on how much even multiple data sources can truly evaluate each campaign component's impact on the sales process. Even consumer tech brands have a disconnect between marketing activity and eventual retail sales. So data is not the be-all-and-end-all.

Are your organizations effectively using data to make smart marketing decisions?



- Yes - all marketing activities are now driven almost exclusively by data analysis
- Yes - we use data analysis as a significant part of our marketing decision making
- Reasonably - we use a mix of data and professional experience in making decisions
- No - I/we don't trust the data enough to use it effectively in making decisions
- No - I/we don't have enough data, so rely on professional experience for decision making

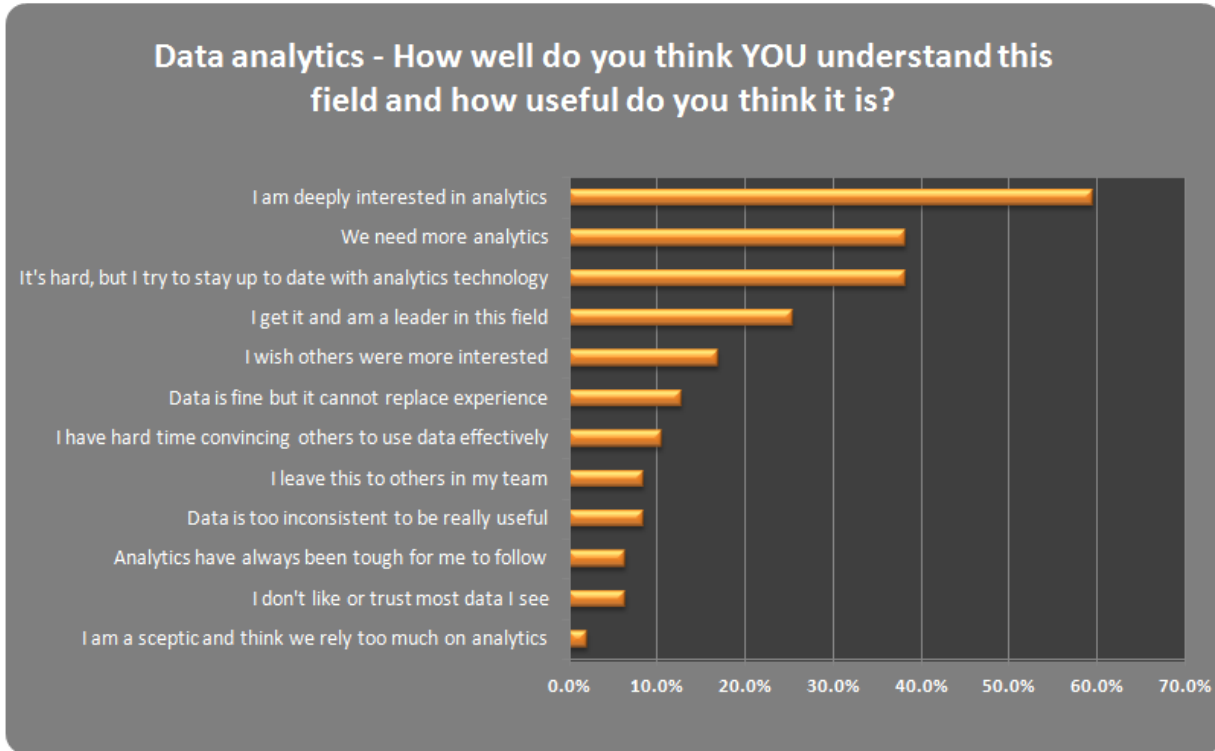
The majority (52% of marketers) still uses a mixture of professional experience and data. On the negative side, only 15% are not trusting or collecting enough to help them.

Just Media Opinion: It will take a long time for the human element of marketing to be eliminated by data. Indeed, the challenge is not the data itself, it is the analysis of the fine detail; the evaluation of what subtle changes might have impacted the results; or the nature of the media type or target audience that is so important. This can only be done by using experienced professionals who fully understand the nature of the campaign and media being used.

The trust issue we are seeing is explainable. With online marketing, we had to learn to live with an incomplete set of data. There is not enough consistency to trust the data 100%. Users delete cookies, or don't accept them to begin with, or sign up with fake names. Just Media understands that this is a challenge and we look at data with this in mind.

Respondents Self Analysis – How Well Do They Know Analytics?

The survey results show just what a passionate group responded. Perhaps this should come as no surprise. However, almost 40% say they struggle to keep up with developments, while similar numbers are looking for more analytics with which to work.

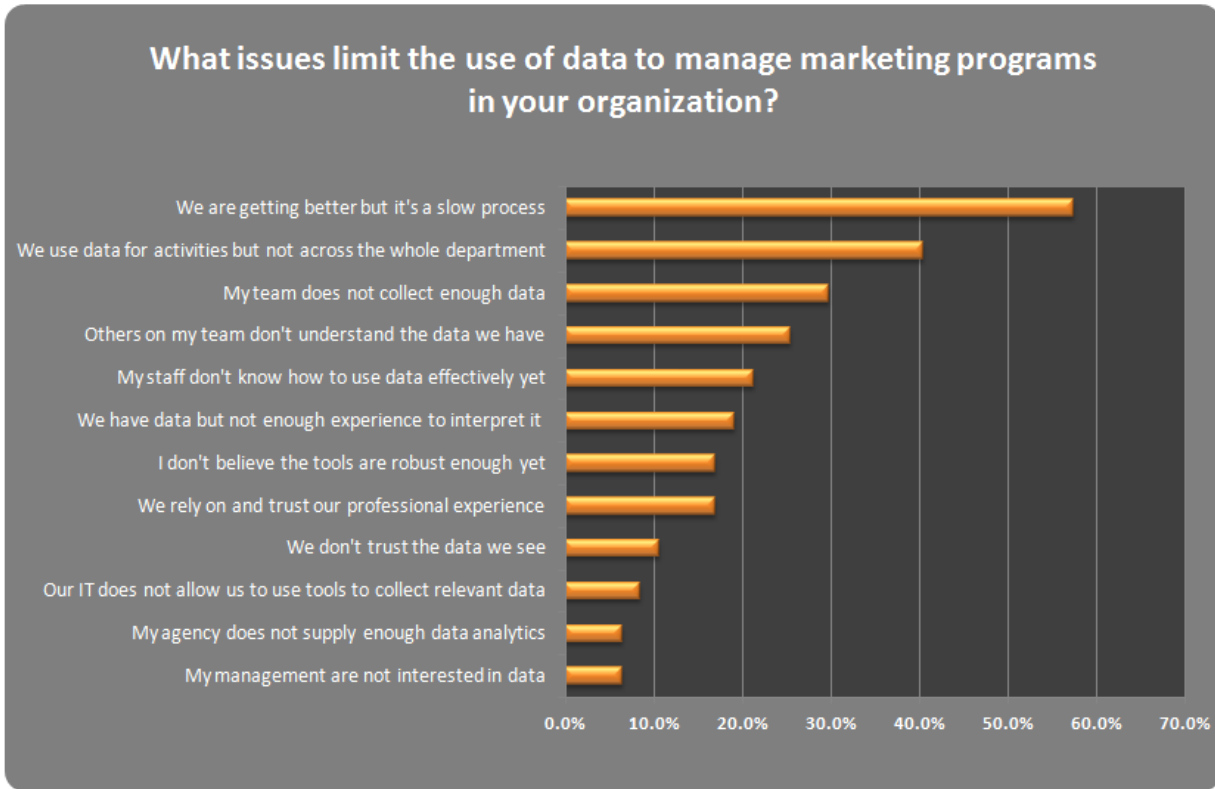


Issues that Limit Use of Data Internally.

The results below illustrate a major issue that exists within marketing today. Three answers (4th, 5th and 6th in the list and in the range of 18-25%) show the reality of the struggle internally within teams. Staff members are simply not all on the same page as regards use or understanding of data. It's hardly surprising because almost no formal education exists in this arena, requiring marketers to pick it up as they go and learn from agencies or peers or attend industry events in the hope they get into data analytics. Most importantly, without appointed data evangelists internally, who have time and energy to drive the process, the situation is likely to actually get worse since analytics continues to become more complex, not less.

Just Media Opinion: Marketer education is a huge issue. We are consistently amazed by the degrees to which marketers are struggling to understand what metrics they have; what they need to have; and most importantly, what they need to be looking for. Nowhere is this more of a problem than at the executive level, since execs who do not understand the subtleties of data, are

holding the keys to budgets and campaigns. Another barrier are web teams where marketing requirements are consistently pushed to the bottom of the list.

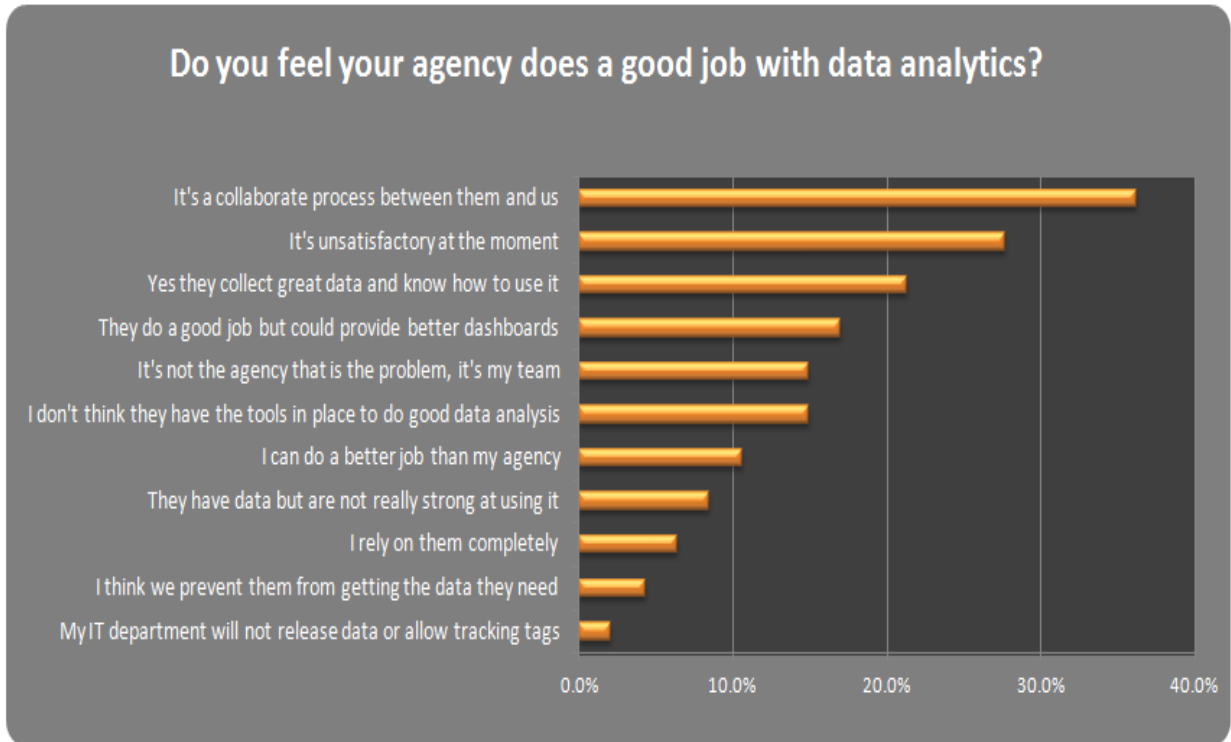


Just Media Opinion: Companies need to invest in data experts or allow those with a passion for the subject to become internal evangelists with a remit to inform and train peers. If this is not possible, then company execs should leverage agency/supplier relationships to get every team member onto the same page. Metrics training should be mandatory and across ALL levels. Collaboration between the client/agency could be key to achieving this!

Campaign KPI's (Key Performance Indicators) need to be established up front, before campaigns are run. Most importantly: EVERYONE needs to be on the same page; in agreement; and fully understanding of what those KPI's are. Too often, campaign managers are watching one metric, while executives or sales managers are watching others. These disconnects are still common and are very destructive to evaluating proper campaign success and future re-investments.

Agencies and Metrics

Our research shows that (generally speaking) agencies are doing a reasonable job with their clients. Across many questions, clients have responded that agencies are taking a lead in data collection. However, over 25% still say that agency performance is unsatisfactory at some level. While this may represent opportunities for those agencies fully invested in metrics, it also demonstrates that even the so-called "professionals" are struggling with this aspect.



Just Media Opinion: Like Just Media, your agency should employ dedicated analytics staff and systems if you are to trust that they really are keeping up-to-speed with the industry. Just Media operates two adserver solutions and one online DSP (Real Time Bidding trading desk), which comes with it's own analytics, in-house Paid Search marketing experts and has relationships with creative platform providers for more advanced engagement analytics. In many instances, we have client data fed back on conversions and even sales data to enable closed loop KPI's. We also often have access to client's web analytics and are planning an adserver/web analytics integration. Your agency partners need to demonstrate this level of industry depth to their offering.

Future client/agency relationships will be very different. Clients will hold more of the data and collaborative access will become increasingly important. Clients need to trust agency partners with access to data so they can in turn make smarter decisions. Agency and clients need to not fear data. Even bad campaigns are a learning opportunity. Most importantly, online activities can quickly be optimized to turn a poorly performing campaign into a thriving one.

Clients need to understand that data is one tool in the process. Campaigns that "fail" are still valuable if the data is used constructively. Data benchmarking is also vitally important and anyone who works with data knows that anomalies are standard and cannot always be easily explained.

Summary



The tech marketing space is undergoing a metrics revolution. Things are moving fast. People are struggling to stay ahead of the curve and knowledge gaps are developing across the entire marketing chain.

This evolution is normal. In many cases it can be addressed by simple emphasis on internal education. Ensuring everyone speaks the same language and understands the data produced is critical. More coordination and agreement before campaigns launch is required. This needs to be led by agencies. Ultimately, the need for respected, internal, client side data-evangelists is critical to ensure all marketing departments and teams are working harmoniously. Also, be brave enough to try something new. The learning will outweigh the risk.

Happy data analyzing everyone!



Appendix

Methodology: This was an online survey promoted via the Just Media database to marketers in technology companies. 51 total responses were collected with most questions answered by at least 48 respondents. Data was collected in October 2012. Solution used was Survey Monkey. Questions written and prepared by Just Media, Inc., CEO Dick Reed and Head of Analytics Frauke Cast.

Identity of users, job functions and company name was disclosed in 98% of respondents although private data is not included in the final report as per the survey agreement. However, this data disclosure does enable us to validate the quality of the responses received.

Survey incentive was to win a Go Pro HD Video Camera.

About Just Media, Inc.

Just Media, Inc., is an independently owned media buying agency based in Emeryville, California, founded in 1996. We work with national and international, blue chip technology clients in categories ranging from healthcare to education, financial to travel, and more recent sectors such as solar and green tech. Our guiding principle is that the only results that truly matter are what we provide for your brand, today. Our more experienced approach to media evaluation provides consistently stronger results. Our expertise is creating media strategies and developing Lead Generation & Branding campaigns in all media formats including; digital, search, print, out-of-home and TV.

Notable 2011/2012 clients include: Toshiba, Netgear, Nvidia, Parallels, YouSENDIt, Autonomy, EMC, Fujitsu North America, Hitachi Data Systems, Juniper Networks, Lumension, Motorola Business Solutions, Salesforce.com, Nexsan, Job Science, Financial Force, Citrix, NetScout, Matthews Asia, Allscripts.

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